



CAI Texas/TCAA LEGISLATIVE SESSION UPDATE

TCAA Minute – April 12, 2021

Community Association Legislation

There are only about 50 days left in the Texas legislative session, and the pace of activity is picking up considerably. In the House last week, the Business & Industry Committee held its “property owners’ association day,” considering more than a dozen bills impacting our communities, leadership, and residents. The CAI-TCAA team was actively engaged throughout the hearing, educating lawmakers on the benefits provided every day by community associations and their support teams. Each of the following bills has had an initial hearing and is pending in that committee, and CAI-TCAA will continue to engage with the bill sponsors and committee members:

HB 3367 (Turner) is a broad bill that makes substantial changes to multiple provisions of the Texas Property Code relevant to property owners’ associations. Impacted provisions relate to permissible service on an architectural control committee, fees for resale certificates, requirements for association websites and publicly available documents, management certificates and liens, collection of assessments, and requirements for association hearings. CAI-TCAA has serious concerns that the bill in its current form will discourage volunteer services at associations and raise costs for homeowners.

HB 3571 (Bonnen) would make it unlawful for property owners’ associations to prohibit an owner from installing a “security measure,” including a security camera, a motion detector, or perimeter fence. It would, however, allow the association to regulate the type of any fencing that is installed.

HB 1970 (Shaheen) requires property owners associations to promulgate policies related to fines. The bill would require the adoption of a policy regarding the enforcement of fines that must disclose each type of violation for which a fine may be assessed, the amount of the fine for each type of violation, and pertinent information regarding certain hearings. The bill also requires a copy of the policies to be publicly recorded in the county property records and provided to each owner.

HB 1467 (Jetton) permits an annual meeting of a property owners’ association to be held via electronic or telephonic means if each attendee may hear and be heard by everyone attending, and the notice sent to members includes instructions to access any communication method required to attend the meeting remotely.

In addition to the bills above, SB 581 (Bettencourt) has passed the Senate and moved on to the House. The bill relates to permissible regulation by a property owners’ association of religious displays. The bill, which was just approved by the Senate Committee on Local Government, outlines the extent to which a property owner’s association may restrict some displays of religious items at a residence. The bill applies only to a display that is motivated by a sincere religious belief, and a property owners’ association is allowed to prohibit displays that threaten public health or safety, violate other laws, or that are patently offensive to the passerby.

for reasons other than religious content. CAI-TCAA will continue to work with legislators to avoid unintended consequences from this legislation.

Texas Senate Passes Its Version of State Budget

The Texas Senate unanimously signed off on a two-year, \$250.7 billion state budget Tuesday. It includes \$117.9 billion in state general revenue, which is roughly \$5 billion over the amount Texas Comptroller Glenn Hegar projected lawmakers would have to work with. Next month, Hegar is expected to revise the budget revenue estimate he issued in January, and lawmakers are hopeful that the improving economic climate will result in more financial flexibility for the state budget.

The adopted budget funds improvements made last session to state support for K-12 education, and provides \$3.1 billion more to cover the costs of increased student enrollment; 36,000 new students are projected to enroll in public schools each year. The bill also adds \$1 billion to the \$5.1 billion lawmakers spent on property tax cuts last session, \$453 million to better fund retired teachers' pensions. \$767 million on border security, \$8.1 billion across a range of state programs for mental health, and \$128 million to comply with a foster care lawsuit. The bill now heads to the House for consideration, before a conference committee reconciles the differences in late May.

The Senate bill does not factor in over \$38 billion in federal funding related to coronavirus aid, much of which will go to the state government. It is still unclear whether those federal dollars will be received or appropriated before the end of the regular legislative session in May. If the money arrives during the legislative interim, there is language in the spending plan that would let lawmakers have input on how that money is appropriated before the start of the next legislative session.

Get Involved

CAI and TCAA hope to hear from you about the issues of concern to you and your neighbors, and we also encourage you to share your support of community associations with your local legislators.

Find out who represents you at the Texas capitol: <https://wrm.capitol.texas.gov/home>

Contact members of the House Business & Industry Committee to express your support for POAs: <https://house.texas.gov/committees/committee/?committee=C040>

For more information on the Texas Legislature and updates on our activities and events, please visit caionline.org/txlac and txcaa.org

To make a contribution [CLICK HERE](#).